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**TEN PER CENT. SEMI-ANNUAL**

**COUPON BONDS**

**OF THE**

**CITY OF DUBUQUE,**

**I O W A ,**

**DUE JANUARY 1st, 1877,**

**FOR SALE BY**

**MORSE & COMPANY,**

**49 Wall and 41 William Sts.,**

**NEW YORK.**

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**NEW YORK :**

**WM. C. BRYANT & CO., PRINTERS, 41 NASSAU STREET, CORNER OF LIBERTY.**

**1858.**



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# \$250,000 TEN PER CENT. COUPON BONDS

OF THE

## CITY OF DUBUQUE, IOWA,

**DUE JANUARY 1, 1877.**

*Coupons payable January and July ; Interest and Principal payable  
at the Metropolitan Bank of this City.*



NEW YORK, October, 1858.

We offer for sale the above Bonds, which were negotiated by the City of Dubuque in July, 1857, in order to meet a subscription by the City to the Stock of the Dubuque Western Railroad Company. From the peculiar character of these Bonds, and the high grade of security they offer, we can recommend them as a highly desirable investment. We submit copies of agreements of the very strongest character, entered into by the City of Dubuque, (Supplements A, B, C and D,) showing that every precaution has been taken to make the Bonds a perfect security. In case of any default, of either interest or principal, holders of these Bonds can, by a very simple process, levy upon any public or private



property in the city for the interest and principal,—the latter of which becomes immediately due in case of default of interest.

The city holds, for the immediate security of these Bonds, 2,500 shares, of one hundred dollars each, of the Stock of the Dubuque Western Railroad, which have been deposited in the hands of three trustees, as additional security for the bondholders.

The Dubuque Western Railroad Company will deposit, on and after July 1, 1860, five thousand five hundred dollars annually with the trustees, to be invested in these Bonds, which sum is sufficient to redeem the whole issue before maturity.

For the legality of the Bonds and of the agreements from which supplements A, B, C and D are taken, we submit the opinion of three of the highest legal authorities in this city,—that of Wm. M. Evarts, Esq., Thaddeus H. Lane, Esq., and Messrs. Choate & Barnes.

We also submit some particulars about the position of Dubuque, from which it will be seen that the present population is over 16,000.

The taxable property is over - - - - \$11,000,000

And the entire debt of the city, which  
cannot be increased, is - - - - 707,000

The tax-roll and income of the city for  
the present year, is - - - - 143,500



Expense of Government and interest on	
all Bonds amount to - - - - -	\$105,000

Leaving a surplus of - - - - -	\$38,500
--------------------------------	----------

for contingencies, which places the finances of the city in a perfectly sound condition.

The Bonds offered consist of 125 of \$1,000 each, and 250 of \$500 each.

Soliciting your orders,

We are,

Your obt. servants,

MORSE & COMPANY.

~~~~~

Dubuque is one of the most flourishing cities of the Northwest, situated on the Mississippi River, opposite Dunleith, the terminus of the Illinois Central and Galena and Chicago Railroads. It lies on the great route of travel commencing at New York; proceeding thence westward on both sides of the Lake to Chicago; from Chicago by the Galena and Chicago and Illinois Central Railroads to Dunleith, and to be continued thence in a straight line by the Dubuque and Pacific Railroad through the rich State of Iowa, as well as in a north-western direction to the not less rich and rapidly improving State of Minnesota.

The following figures will prove how rapidly Dubuque has increased, owing to its extraordinarily favorable position. The number of inhabitants were, in

| 1840. | 1850. | 1852. | 1854. | 1857.  |
|-------|-------|-------|-------|--------|
| 1,200 | 3,108 | 4,500 | 6,634 | 16,000 |

The taxable property has increased from \$2,760,000, in 1854, to \$11,000,000 in 1857.

The value of the importations amounted to 20,662 tons for \$1,175,207 in 1851, against 276,690 tons for \$11,266,845 in 1857; while it exported in 1851, 4,287 tons of a value of \$233,239, against 24,215 tons of a value of \$3,689,266 in 1857.

This increase will be much more rapid when the two roads now building out of the city of Dubuque—viz., the Dubuque and Pacific and the Dubuque Western Railroads—have been finished, and they are now rapidly progressing towards completion. Dubuque will then be in the same position towards the State of Iowa, in which Chicago stands towards the State of Illinois, and which has made out of the latter place the first city of the entire Northwest; for Dubuque will then be the principal market for the State of Iowa, besides enjoying the great advantage of being situated in the middle of the large lead region extending on both sides of the Mississippi, which attracted already in 1774 the eyes of the foreign immigrant to the spot, and the production of which will largely increase.

The present debt of the city of Dubuque amounts to \$807,678; of which bonds issued to the Dubuque and Pacific Railroad Company, \$200,000; bonds issued to the Dubuque Western Railroad Company, \$250,000; bonds issued to Riggs & Co., \$100,000, constitute part.

Of this amount, however, the \$100,000 issued to R.

& Co. have since been assumed by the Central Island Company, in consideration of the land belonging to the city, and sold to that company, which latter has now undertaken to pay the annual interest on said bonds, as well as to retire them when due. The debt of the city proper is, therefore, only \$707,678.

The city possesses, on the other hand—

|                                                   |           |
|---------------------------------------------------|-----------|
| Shares in the Dubuque and Pacific Railroad Co.... | \$200,000 |
| “ “ Dubuque Western Railroad Co.....              | 250,000   |
| Real estate in the city.....                      | 265,669   |
| Bonds of the Central Island Company .....         | 30,500    |
| Sundries.....                                     | 9,170     |
|                                                   | <hr/>     |
|                                                   | \$755,339 |

Amongst these assets there are 2,000 shares of the stock of the Dubuque and Pacific Railroad Company. According to the new plan proposed by said road, and which meets with very general approval from all sides, the city will be entitled to 25,000 acres of land along the line of the road, besides retaining the same amount of stock in the company. If we only take the price at which the Illinois Central Railroad Company has been selling its lands, which, as a general rule, are much inferior to those possessed by the Dubuque and Pacific Railroad Company, this land will not only be sufficient to pay the entire amount of bonds when due, but will leave a large surplus to the city, and the stock in the road, which, when once finished, cannot fail to pay a handsome dividend.

The bonds issued in favor of the Dubuque Western Railroad will be redeemed by a sinking fund created for that purpose by said company, which will consist of annual payments of \$5,500, to begin with 1st July, 1860, and which will be fully sufficient to redeem the whole of the bonds before the same fall due.

The creation of any new debt by the city is not probable for a long time to come, as the new Code of Iowa forbids the creation of any debt by any city beyond five per cent. of its taxable property.

The income of the city for the present year is estimated at not less than the following:

|                                                     |           |
|-----------------------------------------------------|-----------|
| From Taxes.....                                     | \$121,500 |
| “ Tavern Licenses, &c., &c.....                     | 10,000    |
| “ Liens for improvements .....                      | 12,000    |
|                                                     | <hr/>     |
|                                                     | \$143,500 |
| The expenses of the city government will not exceed | \$35,000  |
| The annual interest on the city debt is about ..... | 70,000    |
|                                                     | <hr/>     |
|                                                     | \$105,000 |

There consequently remains a large surplus for contingencies and for a gradual reduction of the debt, which will also be sensibly decreased by the sale of the Central Island bonds and such real estate as the city will not require for its own purposes.

## SUPPLEMENT A.

## RELATING TO TRUST.

*Whereas*, the city of Dubuque has purchased two thousand and five hundred shares of the capital stock of a certain railroad company known as the Dubuque Western Railroad Company, and in payment and consideration thereof have issued the bonds of said city, payable to Edward Langworthy, of Dubuque, or bearer, being three hundred and seventy-five negotiable bonds or obligations, one hundred and twenty-five of said bonds being for one thousand dollars each, and two hundred and fifty of said bonds being for five hundred dollars each: And whereas it has been agreed that the certificates for the said two thousand five hundred shares of railroad stock, so purchased and held by the city of Dubuque, shall be held as security for the faithful and punctual performance of the bonds or obligations as aforesaid, and the interest to accrue thereon; and that all excess of interest or dividend upon said stock, over and above ten per cent. per annum, shall be applied as a sinking fund, to redeem said bonds and such interest coupons thereto attached as may remain due and unpaid:

*Now, in consideration of the premises*, and of one dollar lawful money of the United States of America, the said city of Dubuque shall, and they hereby do, assign and transfer the said certificate of stock of the said Dubuque Western Railroad Company unto Caleb H. Booth, of the city of Dubuque, aforesaid, Frederick W. Keutgen, of the city of Brooklyn, and Theodore T. Moran, of the City, County and State of New York, as Trustees, and their successors duly appointed, as hereafter provided, jointly and not severally.

*In Trust*, to be held by them and their successors, duly appointed, as security for the faithful payment of the principal and interest of the bonds issued by the said city of Dubuque, being at the rate of ten shares of said railroad stock for each bond of one thousand dollars, and five shares for each bond of five hundred dollars.



## SUPPLEMENT B.

## PAYMENT OF PRINCIPAL AND INTEREST BY THE CITY.

This agreement witnesseth, that the city of Dubuque, for and in consideration of the premises, and of one dollar lawful money of the United States of America, the receipt whereof is hereby acknowledged, covenants and agrees that the said city of Dubuque shall and will on or before the first day of June and the first day of December in each and every year commencing with the first day of December, one thousand eight hundred and fifty-seven, until all the principal and interest money secured to be paid by said bonds and coupons shall fall due, place in the city of New York the sum of five per cent. upon the principal money secured to be paid by each and every of said bonds; except upon such of said bonds as shall have been in any manner previously paid, satisfied and cancelled by the city of Dubuque, in trust, for and pay over and transfer out of the same, from time to time, for each coupon when they shall respectively become due, upon presentation and delivery thereof in the city of New York, the sum of fifty dollars for each of said coupons of fifty dollars, and the sum of twenty-five dollars for each coupon of twenty-five dollars, being the interest agreed to be paid by the city of Dubuque and the amount payable by said coupons.

And the said city of Dubuque further agrees, that the said city of Dubuque shall and will, on or before the first day of June, one thousand eight hundred and seventy-seven, place in the city of New York the whole of the principal money secured to be paid by each and every of said bonds, except such of the bonds as shall have been in any manner previously paid, satisfied and cancelled by the said city of Dubuque, in trust, for and pay over and transfer the same in satisfaction and payment of the said bonds when they shall respectively become due, upon presentation and delivery thereof, at the rate of the sum of one thousand dollars for each bond of one thousand dollars, and five hundred dollars for each bond of five hundred dollars, respectively, so presented and delivered, being the amount of principal payable by said bonds.

DUPLICATE

Author Dubuque, Iowa  
 (Surname first)  
 Title \$250,000. Ten per cent semi-annual  
coupon bonds ... due Jan. 1, 1878 for sale  
by Morse & company...

Sent on approval July 42

F. Woodward

21 May 43

of 254 rpts

Edition \_\_\_\_\_ Place NY Publisher Dubuque  
 Date of pub. 1858 Vols. \_\_\_\_\_ Price. \_\_\_\_\_

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**SUPPLEMENT C.****RELATING TO MATURITY OF BONDS.**

In case said city of Dubuque shall fail to comply with said stipulations, the bonds hereby subscribed and issued by the said city of Dubuque to the Dubuque Western Railroad Company, together with all the interest accrued thereon, shall thereupon be and become immediately due and payable, anything expressed upon the face of said bonds or in any contract or agreement whatsoever notwithstanding.

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**SUPPLEMENT D.****RELATING TO SINKING FUND.**

And in further consideration of the premises, and to secure the payment of the principal and interest of the said bonds as the same shall respectively become due, the Dubuque Western Railroad Company hereby agree, that they shall and will create a sinking fund for the payment of said bonds and coupons in manner following, to wit: The said Dubuque Western Railroad Company and her assigns shall and will pay a sum of not less than five thousand five hundred dollars yearly, the first payment to commence on the first day of July, one thousand eight hundred and sixty, to be continued from year to year until a sufficient sum has been paid to redeem the whole of said bonds and coupons at or before maturity; such payments to be made, in trust, to use and apply each and every of said payments as they shall be made as aforesaid, in buying up the said bonds, with the coupons not then due attached, so long as the same can be purchased at or under par value thereof, and the bonds when so purchased to be handed over unto the trustees. The interest accruing on the bonds so purchased, as it shall be paid upon the maturity respectively of the interest coupons, to be invested and reinvested, in trust, that in case they shall be unable to purchase the said bonds or coupons at their par value or under, they shall thereupon immediately invest, and keep invested, such payment or payments, and loan the same in sums not ex-

ceeding five thousand dollars each upon improved real estate, in the city of New York, or in the city of Dubuque, to be secured by approved bond and mortgage, bearing interest at a rate of at least six per cent. per annum when loaned in the city of New York, and ten per cent. per annum when loaned in the city of Dubuque, and loans on such improved real estate shall not exceed two-fifths of the taxable or assessed value of such improved real estate, and such loans shall be made in the city of Dubuque in preference.

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COPY OF THE BOND.

\$500 or \$1000.

UNITED STATES OF AMERICA, STATE OF IOWA,  
CITY OF DUBUQUE.

*Issued in pursuance of a special vote of the People of the city of Dubuque, as provided by the City Charter.*

The city of Dubuque, in the State of Iowa, for and in consideration of ten shares of one hundred dollars each of the capital stock on the Dubuque Western Railroad Company, hereby promises to pay Edward Langworthy, of Dubuque, or bearer, the sum of one thousand dollars, on the first day of January, 1877, at the Metropolitan Bank, in the city of New York, together with interest thereon, at the rate of ten per cent. per annum, payable semi-annually on each first day of July and January, on the presentation and surrender of the annexed coupons at the said bank, as they shall respectively become due by the terms thereof, for the faithful performance of which promise said city is hereby pledged, in accordance with the provisions of the Code of Iowa, and an Act of the General Assembly of the State of Iowa of January 28th, 1857. This obligation is one of a series of one hundred and twenty-five bonds of one thousand dollars each, respectively numbered from 1 to 125 inclusive, and two hundred and fifty bonds of five hundred dollars each, respectively, from 126 to 375 inclusive,

amounting in all to two hundred and fifty thousand dollars, issued for the payment of two thousand five hundred shares of the capital stock of the Dubuque Western Railroad Company, subscribed for by said city of Dubuque. It is further secured by pledge of the ten shares of one hundred dollars each in the capital stock of the Dubuque Western Railroad Company, which is placed in the hands of trustees duly authorized, who are empowered and required, at the request of the holder of this bond, at any time, in case said city shall fail to perform any of the foregoing stipulations, by neglecting to pay either principal or interest, or any part thereof, on this bond, when the same shall become due, to proceed and sell, at public or private sale, the said ten shares of stock, or so much thereof as may be necessary to pay any portion of principal or interest due and unpaid.



In testimony whereof, I, the Mayor of said city, have hereto set my hand, and caused the corporate seal of the city to be affixed to this bond, and the same to be registered by the Auditor, and attested by the Recorder, the first day of July, 1857.

DAVID S. WILSON,  
Mayor.  
P. W. CRAWFORD,  
Recorder.

Registered Book I, page 30.

JNO. ADAM KOCH,  
[Coupons.] Auditor.

We certify, that we hold in trust for the faithful payment of this bond, as within stated, ten shares of one hundred dollars each of the capital stock of the Dubuque Western Railroad Company.

C. H. BOOTH,  
THEO. T. MORANY,  
F. W. KEUTGEN,  
Trustees.

## LEGAL OPINIONS.

76 BEAVER STREET,  
New York, Sept. 10, 1858.

Gentlemen,—I beg leave to acknowledge your favor, enquiring as to the validity of the bonds of the city of Dubuque, issued to the Dubuque Western Railroad Company, and my opinion as to the legality of their issue.

In reply, I have to say, that at the time these bonds were negotiated, I examined the statutes, both of the State of Iowa and the city of Dubuque, in any way relating to the matter with the greatest care; the amount involved being so large, I was exceedingly cautious, and took all the time, and made all the examinations, necessary to form a correct opinion.

The bonds are issued pursuant to provisions of "The Code of Iowa," the acts of the Legislature, and under the City Charter and resolutions of the Common Council of the city of Dubuque, the details of which I was at that time perfectly familiar with, but at your request again examined them minutely.

I was then (as I am now) most clearly of the opinion, that there could be no doubt that the bonds in question were not only legally issued and valid, but that the precautions taken to ensure the punctual payment of both principal and interest were better than any other security of the like nature that I have seen; besides, I should say, that according to the agreements, both with the city of Dubuque and the Railroad Company, the security in the hands of the trustees, which they were authorized to dispose of, in the event of the non-payment of the bonds or coupons, would be most ample to secure the holders against loss.

In conclusion, I have to say, that in all the examinations I have made as to the validity of the bonds of our western towns and cities, in which, as you are well aware, I have had considerable experience, I have found none of the like nature, that I consider a safer investment than these in question.

I am, very resp'y,

Your o'bdt serv't,

MESSRS. MORSE & CO.

THADS. H. LANE.



NEW YORK, Sept. 14, 1858.

Gentlemen,—I have considered the questions submitted to me respecting the validity of the bonds of the city of Dubuque, issued in payment for stock taken by that city in the Dubuque Western Railroad Company, and of the collateral engagements pledging the income of the stock and the stock itself as security for the payment of the bonds.

I am of opinion that the bonds in question are a valid corporate liability, under the laws of Iowa, capable of legal enforcement as such against the city of Dubuque; and that the deposit of the stock of the Dubuque Western Railroad Company, acquired by the city upon the issue of the bonds, with trustees under the provisions securing the application of the stock and its income to the satisfaction, if need be, of the principal and interest of the city bonds, is a valid security to the holders of these bonds, capable of enforcement by the usual legal and equitable remedies appropriate to such a trust.

I am, very respectfully,

Your ob't servant,

WM. M. EVARTS.

Messrs. MORSE & Co.,

49 Wall street and 41 William street.

No. 62 WALL STREET,

NEW YORK, October 1st, 1858.

Gentlemen,—We have examined carefully the Bonds issued by the City of Dubuque, Iowa, to the Dubuque Western Railroad Company, in respect of their validity, and also the nature of the collateral securities furnished to the holders of the bonds, for the prompt payment of their interest and principal, when the same shall respectively mature.

Every possible precaution appears to have been taken to render these bonds valid. The Statutes and "Code" of Iowa, and the Charter of the City of Dubuque, give entire power to

the authorities and inhabitants of Dubuque, to authorize the issue of these bonds to the Dubuque Western Railroad Company, and every requirement of the Statutes and Charter has been strictly complied with by the Corporation of Dubuque, and the Railroad Company. The bonds, therefore, create a valid lien on the corporate property and funds of Dubuque, and in default thereof, the private property of the inhabitants is liable to satisfy a judgment obtained upon the bonds by the holders of them.

We are also of opinion that the provisions of the agreements made between the City of Dubuque and the Railroad Company, amply secure the appropriation of all the stock of the Company in the hands of the Trustees, to the payment of any instalment of interest on the bonds in case of a default.

We are, gentlemen,

Very respectfully yours,

CHOATE & BARNEE.

To Messrs. MORSE & Co.,

William street.









